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CompTel 

ORIGINAL

June 20, 2000

Via Hand Delivery

RECEIVED

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

JUN 20 2000

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

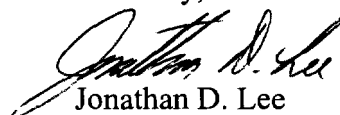
Re: Ex Parte Presentation in CC Docket No. 98-141, ASD File No. 99-49

Dear Ms. Salas:

Pursuant to Section 1.1206 of the Commission's rules, the Competitive Telecommunications Association ("CompTel") hereby gives notice that on June 19, 2000, its representatives met with Rebecca Beynon, Legal Advisor to Commissioner Furchtgott-Roth. CompTel urged the Commission to condition any waiver of SBC's merger conditions in order to ensure that competitors will continue to be able to offer facilities-based services in competition with SBC's ILEC and advanced services affiliate. CompTel explained that SBC's proposed deployment of Project Pronto offers competitors inferior access to essential network services compared to the access enjoyed by SBC's "affiliate".

CompTel also asked the Commission to consider retaining a supervisory role in monitoring SBC's implementation of any conditions that accompany a waiver. In the alternative, CompTel requested the FCC eliminate any "presumption" that SBC's affiliate is not a "successor or assign" of an ILEC. This would ensure that the states have the necessary authority to create and enforce terms of interconnection that may become necessary to ensure that competitors continue to receive nondiscriminatory access ILEC network services. CompTel also used a visual presentation, a copy of which is enclosed with this filing. Representing CompTel were Michelle Cadin, Law Clerk, and the undersigned attorney.

Sincerely,



Jonathan D. Lee
Vice President,
Regulatory Affairs

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CompTel's Position on SBC's Project Pronto Waiver Request

**Meeting with Rebecca Beynon
June 19, 2000**

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FCC Broadband Issues

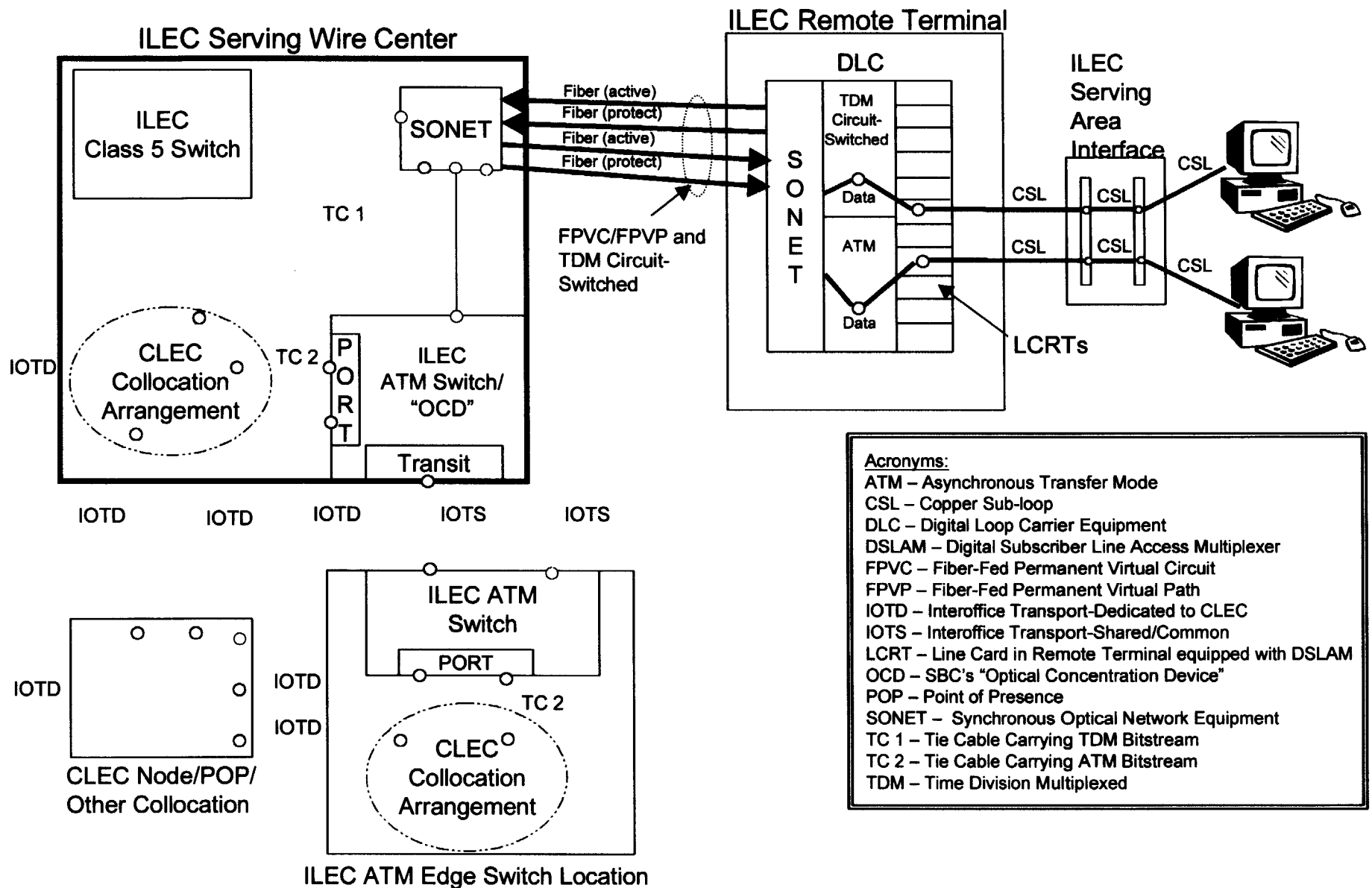
SBC's Pronto Waiver Request

On Feb. 15, SBC requested an interpretation, or waiver from the terms of its Merger Conditions in order to implement its "Project Pronto"

The basic architecture of Project Pronto is designed to shorten most residential customers' loop lengths to 12 klft by deploying 20,000 fiber-fed remote terminals

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Fiber Fed (DLC) Configuration



Pronto's Potential

Overlay network has the potential to accommodate even more competitive alternatives than exist today

symmetric data services, supporting applications such as VoDSL

video services

in addition to traditional POTS and high-speed Internet

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Pronto As Proposed By SBC

Competitors would be limited to services supported by the ILEC's vendor of choice

Line Cards of other vendors are not compatible

Fiber feeder's capacity limited to OC3

Competitors cannot buy more

Competitors cannot buy dedicated capacity (permanent virtual path)

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Pronto As Proposed (cont'd)

Collocation space in the remote terminal is limited, and of limited benefit

No choice of QoS for Permanent Virtual Circuits (PVCs)-only UBR (unspecified bit rate)-cannot support symmetric services

SBC's equipment gets benefit of "splice point" interconnection with the copper sub-loop

CLECs must run cable from the RT to SAI

Pronto As Proposed (cont')

No means for CO-based CLECs to provide POTS and data in competition with SBC

Where collocation is not possible, SBC offers "Broadband Service" for resale

allows CLECs no ability to differentiate service
not a "UNE", thus:

- no access to full functionality of equipment

- no pricing/provisioning/auditing guarantees

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CompTel's Proposed Conditions

CompTel has proposed supplemental conditions that will, if adopted, provide competitors with the same access to basic network services enjoyed by SBC's affiliate, thereby encouraging competitive advanced services deployment

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CompTel's Conditions

Condition SBC's ability to market to new customers, on demonstrating that competitors can compete on parity

CLECs must be able to provide POTS/Data

Require SBC to allow competitors to differentiate their data services:

Compatible Cards

Usable Collocation

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CompTel's Proposed Conditions (cont'd)

Require that competitors with equipment in the CO not be "stranded"

- retain access to existing copper facilities

New Pronto-related wholesale offerings must be offered as UNEs, ensuring

- Cost-based prices, provisioning parity, and compliance auditing

FCC Must Ensure Pronto's Implementation Does Not Foreclose Competition

FCC Must Retain Oversight of SBC's Implementation of Modified Conditions

Competitors must be able to obtain quick, efficient resolution of competition-affecting issues as Pronto is deployed

Because of 251(h) "presumption" that SBC's advanced services affiliate is not subject to Sections 251 and 252 of the Act, the role of states--to order relief, or provide interpretations, where merger conditions are involved--is unclear

Because Pronto is a new network, presently under construction, many existing obligations (under both the Act and the merger conditions) may need, or benefit from, clarification

FCC Must Ensure Pronto's Implementation Does Not Foreclose Competition

If the Commission declines to retain a stewardship role in guiding SBC's proposed Pronto deployment, the Commission should reject SBC's current waiver request, which would force SBC to obtain the support of unaffiliated carriers in any subsequent request for a waiver; or

If the Commission grants SBC's request, but does not want to assume an active role in ensuring that SBC's evolving plans for Pronto comply with the Act and the merger conditions, the FCC should explicitly eliminate any "presumption" regarding the 251(h) status of SBC's advanced services affiliate.

Affiliate would be "successor or assign" of an ILEC, and, thus, subject to all other obligations of ILECs under the Act